

COUNCIL AGENDA: 12-14-04

ITEM: 2.10

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Carl W. Mosher

SUBJECT: SEE BELOW

DATE: 11-22-04

Approved

Date

11.29.04

**SUBJECT: CONTINUATION AGREEMENT WITH BROWN AND CALDWELL
SOUTH BAY WATER RECYCLING TANK PROJECT**

RECOMMENDATION

Adoption of a resolution authorizing the City Manager to execute a continuation agreement for consultant services between the City of San Jose and Brown and Caldwell, subject to the concurrence of the Treatment Plant Advisory Committee (TPAC), to continue the term of the agreement for two years from December 31, 2004 to December 31, 2006, and allow an increase in the consultant's hourly rates, at no additional cost to the City.

BACKGROUND

On August 7, 2001, the City authorized an agreement with Brown and Caldwell to provide engineering design and construction management services for the construction of two new recycled water tanks, with a total capacity of 5.5 million gallons to increase the reliability of the South Bay Water Recycling System and to reduce operating costs.

On August 30, 2002, pursuant to his authority under SJMC Section 4.04.055, the City Manager authorized the first amendment to the agreement to make minor revisions to the scope of services, at no additional cost to the City.

At the time the agreement was executed, it was anticipated that the property needed for the tanks would be acquired within a few months and that construction would be completed by December 31, 2004. Negotiations for the acquisition of the required property rights were initiated in October 2001. During these negotiations, staff and with the assistance of the consultant, worked with the property owner on locating the tanks, pipelines, easements and access road on the property where they would have the least possible impact.

Multiple alignments and property configurations were investigated in an attempt to reach an agreement with the property owner. Ultimately, it was determined that an agreement could not be reached and on June 29, 2004, after over two and a half years of negotiations with the property owner, the Council directed the City Attorney to file an eminent domain action to acquire the necessary property interests for the project.

ANALYSIS

Final design of the project was delayed as a result of the delay in finalizing the location of the project facilities. The consultant is now working on the final design and the project is scheduled to advertise for bid in January 2005. This continuation agreement will extend the term of the agreement by two years from December 31, 2004 to December 31, 2006, allowing Brown and Caldwell the time to complete design and construction management for the project, at no additional cost to the City.

PUBLIC OUTREACH

Public outreach is not necessary for this recommendation.

COORDINATION

This memo has been coordinated with the offices of the City Attorney and the Risk Management, and is scheduled to be heard at the January 13, 2005, Treatment Plant Advisory Committee (TPAC) meeting.

COST IMPLICATION

This second amendment does not increase the total cost of the agreement.

1. Cost of Agreement Amount \$ 3,100,000
2. Source of Funding 512- San Jose-Santa Clara Treatment Plant Capital Fund

Fiscal Impact: In accordance with the Mayor's prescribed budget strategy, the tasks under this agreement will focus on the protection of a vital core service, emphasizing expenditures that improve reliability of the SBWR system.

HONORABLE MAYOR AND CITY COUNCIL

11-22-04

Subject: Continuation Agreement with Brown and Caldwell - South Bay Water Recycling Tank Project

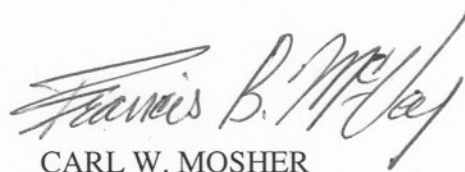
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BUDGET REFERENCE

Fund #	Appn #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2004- 05 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
512	6589	Revised SBAP -SBWR Extension	062873	30,321,000	3,100,000	Page V-260	10/24/04 27267

CEQA

EIR Resolution No. 64667



CARL W. MOSHER

Director, Environmental Services Department

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